CLASSIFICATION COMPLESTIAL Approved For RENTE 2002/08/07 NOTA-REF82-00457R004500590013-4 INFORMATIO CD NO. INTELLURAX 12 COUNTRY DATE DISTR. 31 MAY 50 China/macas SUBJECT 1. Chinese Communist Treops, macao Area NO. OF PAGES 2 2. Eus Companies, Zacac Area PLACE NO. OF ENCLS. 25X1ACQUIRED 25X1X DATE OF SUPPLEMENT TO INFO. REPORT NO

- 1. On 24 march 1950 a battelion of the Chinese Communist Kwangtung-Kwangsi Column, about 150 men, reached Chien Shan (113-32, 22-14), north of hacao, carrying two long-range field guns. The field pieces were mounted on a fort at the foot of Fei Ling ( ), pointing directly at macao. A reinforced platoon of the Kwangtung-Kwangsi Column was placed there to guard the place, and in early April passage near this installation was strictly forbidden.
- 2. In early April 1950 there were about fifty armed Chinese Communist soldiers who were assigned to remain in Lacao on duty. They were staying in cheap, low-class hotels
- 3. In early April 1950 between seven and eight hundred former Nationalist soldiers were moved from Sau Fu (12) // ) to Chungshan and Shihchi to engage in farming. Five hundred of the men were placed in the 5th district of Chungshan hsien, one hundred in the 6th district, and the rest were scattered through other rural areas. They were under the supervision of the Kwangtung-Kwangsi Column. The local population was ordered to contribute one cunce of rice per head to support this group.\*
- 4. The Chih Auan Bus Company, which was taken over by the Chinese Communists in late April 1950\*\*, operated profitably over the good highway which the company had constructed between macao and Shihchi. In early April 1950 PAO Wen-wei ( 京京 文章 ) had been appointed by the Shihchi military Control Commission to make an investigation of the property of the bus company in Chungshan haien and macao, and was waiting for instructions from the Awangtung military Control Commission for the takeover. Control of the company gives the Chinese Communists the profit from the operation of the bus lines and the use of the numerous busses for economic and military purposes. After the takeover the busses were to run between Shihchi and Auan Chia ( ) ), on the Chinese side of the macao border.
- 5. In early April 1950 the contract between the Lacao Bus Company and its

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employees was about to expire. The contract is renewable each year. The employees were planning to demand changes in working hours and extra pay for work on Sunday, and a strike appeared possible if the company's reply should be unsatisfactory. The bus company's franchise from the Macao Government is valid for six years, and has three more years to run. It is unlikely that any other bus company will be established in Macao prior to the expiration of this franchise.

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